Introduced by Senator Alarcon

January 10, 2006

An act to amend Section 217, 217.7, and 217.9 of, and to repeal Section 217.8 of, the Streets and Highways Code, relating to state highways.

LEGISLATIVE COUNSEL'S DIGEST

SB 1161, as introduced, Alarcon. State highways: design-sequencing contracts.

Existing law authorizes the Department of Transportation, until January 1, 2010, to conduct a pilot project to award design—sequencing contracts, as defined, for the design and construction of not more than 12 transportation projects, to be selected by the Director of Transportation.

This bill would instead generally authorize the department to award contracts for projects using the design-sequencing contract method, if certain requirements are met.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares the 2 following:
- 3 (a) "Design-sequencing" or "fast track design" is a valuable
- 4 project delivery tool that can reduce project completion time
- 5 according to the Department of Transportation.
- 6 (b) The California Business, Transportation and housing
- 7 Agency has found that the effectiveness of design-sequencing

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has been demonstrated and that a statutory cap and other restrictions on design-sequencing projects are unnecessary.

- (c) In order to provide the Department of Transportation with unconditional authority to use the design-sequencing method of contracting and fast track the completion of projects throughout the state, this act eliminates statutory constraints established on the number, geographic location, and duration of authority for design-sequencing projects in California.
- SEC. 2. Section 217 of the Streets and Highways Code is amended to read:
- 217. The following definitions apply for the purposes of this article:
 - (a) "Design" is a plan completed to a level of 30 percent.
- (b) "Design-sequencing" is a method of contracting that enables the sequencing of design activities to permit each construction phase to commence when design for that phase is complete, instead of requiring design for the entire project to be completed before commencing construction.
- (c) A "design-sequencing contract" is a contract between the department and a contractor that requires the department to prepare a design and permits construction of a project to commence upon completion of design for a construction phase.
- (d) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.
- SEC. 3. Section 217.7 of the Streets and Highways Code is amended to read:
- 217.7. (a) Notwithstanding Chapter 1 (commencing with Section 10100) of Part 2 of Division 2-Section 10120 of the Public Contract Code, except Section 10128 of that code, and Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code, the department may-conduct a phase two pilot program to let award contracts pursuant to the competitive bidding provisions of the State Contract Act (Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code) using the design-sequencing-contracts for the design and construction of not more than 12 transportation projects, to be selected based on criteria established by the director contracting method defined in Section 217. For the

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purpose of this article, these projects shall be deemed public works.

- (b) In selecting projects for the pilot program authorized under subdivision (a), the director shall attempt to balance geographical areas among test projects as well as pursue diversity in the types of projects undertaken. In this process, the director shall consider selecting projects that improve interregional and intercounty routes.
- (e) To the extent available, the department shall seek to incorporate existing knowledge and experience on design-sequencing contracts in earrying out its responsibilities under subdivision (a).
- (d) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.
- SEC. 4. Section 217.8 of the Streets and Highways Code is repealed.
- 217.8. (a) Not later than July 1, 2006, and July 1 of each subsequent year during which a contract under the phase two pilot program, as described in Section 217.7, is in effect, the department shall prepare a status report on its contracting methods, procedures, costs, and delivery schedules. Upon completion of all design-sequencing contracts, but in no event later than January 1, 2010, the department shall establish a peer review committee or continue in existence the peer review committee created pursuant to former Section 217.4, which was added by Chapter 378 of the Statutes of 1999, and direct that committee to prepare a report for submittal to the Legislature that describes and evaluates the outcome of the contracts provided for in Section 217.7, stating the positive and negative aspects of using design-sequencing as a contracting method.
- (b) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.
- 37 SEC. 5. Section 217.9 of the Streets and Highways Code is 38 amended to read:

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 217.9. Design-sequencing contracts under the phase two pilot program, as described in Section 217.7, shall be awarded in accordance with all of the following:

- (a) The department shall advertise design-sequencing projects by special public notice to contractors.
- (b) Contractors shall be required to provide prequalification information establishing appropriate licensure and successful past experience with the proposed work.
- (e) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.